

**ATTORNEY GENERAL**  
**STATE OF UTAH**



Natural Resource Agencies  
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• **DAVID L. WILKINSON**  
ATTORNEY GENERAL  
• **PAUL M. TINKER**  
DEPUTY ATTORNEY GENERAL

February 27, 1981

A. J. Coffman, Jr.  
Attorney at Law  
P. O. Box J  
Moab, Utah 84532

Re: Sum Mining Company

Dear Mr. Coffman:

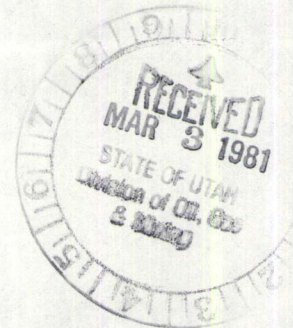
This is to confirm the oral agreement with Sum Mining Company which resulted from the meeting yesterday afternoon at the Division of State Lands and at which you, your clients, Jim Smith and myself were present.

First, in recognition of the determination by the Board of Oil, Gas and Mining (DOGM) that the mining operations of Sum Mining Company fell within the two acre exemption of §40-8-4(6) U.C.A. (1953), as amended, it is understood that the Division of State Lands has authority over all of the mining activities conducted by Sum Mining Company pursuant to Mineral Lease No. 33315. However, it is also recognized that the Division of State Lands will rely on DOGM to work with you and your clients as you submit the information necessary for the mining activities proposal. [DOGM will then make a recommendation to the Division of State Lands as to how State Lands should act on this proposal.] ✓

Second, [Sum Mining Company will proceed to supply all the information required by the "Mining Memorandum" from the Division of State Lands dated January 20, 1978.] (You received a copy of this document yesterday; another copy is also enclosed.) In view of the fact that both of these State agencies are involved in your proposal process, it is my understanding that you agreed to send copies of all the materials you will be submitting to both the Division of Oil, Gas and Mining and the Division of State Lands. ✓

File ACT/037/029

Jim



A. J. Coffman  
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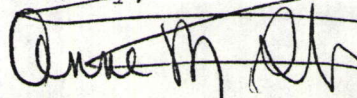
In addition, of course, Sum Mining must also fully comply with all the terms of the original Mineral Lease, all State rules and regulations, and all applicable State laws.

You and your clients indicated that Sum Mining Company will comply with these requirements as quickly as possible and that Sum Mining Company will conduct no mining operations (other than the pumping that has already been approved) until approval by the Division of State Lands of its mining activities has been obtained.

Third, in return for this cooperation and on the express condition that no mining activities will be conducted until State Lands approval has been obtained, I will recommend to the Division of State Lands that they waive the 60-day notification period prior to the commencement of mining activities contained in the Mining Memorandum. I shall also recommend to the Division of State Lands that they act on the recommendation from DOGM regarding the proposed mining activities as expeditiously as possible. (Jim Smith represented that DOGM will act expeditiously on the proposal submitted by you.) ✓

Finally, as I indicated to you and your clients yesterday, in the event that Sum Mining Company should breach this agreement by re-commencing mining activities prior to approval by State Lands, this office shall take immediate legal action to enjoin Sum Mining Company, which action could very well include termination of the original Mineral Lease. I hope that this will not be necessary as it seems entirely possible that this matter can be resolved within a very short period of time.

Sincerely,



ANNE M. STIRBA  
ASSISTANT ATTORNEY GENERAL

AMS/bb

Enclosure

cc: Sum Mining Company  
Plateau Resources  
William K. Dinehart, Director, Division of State Lands  
Cleon B. Feight, Director, Division of Oil, Gas and Mining  
Denise A. Dragoo  
Ronald W. Daniels  
✓Jim Smith  
James A. Holtkamp